

SENATE JOURNAL
60TH LEGISLATURE / SPECIAL SESSION MAY 2007
FOURTH LEGISLATIVE DAY

Helena, Montana
May 14, 2007

Senate Chambers
State Capitol

Senate convened at 10:15 a.m. President Cooney presiding. Invocation by Father Jerry Lowney. Pledge of Allegiance to the Flag.

Roll Call. Senators Laible, Perry excused. Quorum present.

Yeas: Bales, Barkus, Black, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Esp, Gallus, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lewis, Moss, Murphy, Pease, Peterson, Ryan, Schmidt, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 38

Nays: Balyeat, Brown, Essmann, Gebhardt, Jackson, Lind, McGee, O'Neil, Shockley, J.Tropila.

Total 10

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

Senate in recess.

Senate reconvened at 12:05 p.m.

Roll Call. Senators Laible, Perry, Gillan, Cobb excused. Quorum present.

Yeas: Bales, Barkus, Black, Brueggeman, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gallus, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lewis, Moss, Murphy, Pease, Peterson, Ryan, Schmidt, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 38

Nays: Balyeat, Brown, Gebhardt, Jackson, Lind, McGee, O'Neil, Shockley.

Total 8

Absent or not voting: None.

Total 0

Excused: Cobb, Gillan, Laible, Perry.

Total 4

REPORTS OF STANDING COMMITTEES

STATE ADMINISTRATION (Squires, Chairman):

5/14/2007

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HB 6, be concurred in. Report adopted.

FINANCE AND CLAIMS (Schmidt, Chairman):

5/14/2007

HB 4, be amended as follows:

1. Page 4, line 1.

Strike: "6,500,000"

Insert: "10,500,000"

Strike: "10,500,000"

Insert: "14,500,000"

2. Page 5, line 17.

Strike: "3,500,000"

Insert: "4,500,000"

Strike: "3,635,000"

Insert: "4,635,000"

3. Page 6, lines 18 and 19.

Following: "funding."

Strike: remainder of line 18 through line 19 in its entirety

4. Page 7, line 20.

Strike: "\$60,557,942" in both places

Insert: "\$63,057,942" in both places

5. Page 8, line 1.

Strike: "\$591,205" in both places

Insert: "\$5 million" in both places

6. Page 11, line 20.

Strike: "1,182,410" in both places

Insert: "10,000,000" in both places

7. Page 12, lines 2 and 3.

Following: "initiative."

Strike: remainder of line 2 through line 3 in its entirety

And, as amended, be concurred in. Report adopted.

FINANCE AND CLAIMS (Schmidt, Chairman):

5/14/2007

HB 2, be amended as follows:

1. Page A-2, line 10.

Strike: "1,000,000 1,000,000" [general fund FY08 and FY09]

Insert: "597,500 747,500" [general fund FY08 and FY09]

2. Page A-2, line 16.

Strike: "0 0" [general fund FY08 and FY09]

Insert: "d. Self-Help Law Program (Restricted/Biennial/OTO) 252,500 252,500" [general fund FY08 and FY09]

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3. Page A-2, line 27.

Strike: "150,000" [general fund FY08]

Insert: "300,000" [general fund FY08]

4. Page A-3.

Following: line 25

Insert: "Funds in Self-Help Law Program may be used only to provide and support the development, maintenance, and availability of self-help legal forms and instructions regarding civil legal proceedings in Montana's courts; the development of curriculum and materials suitable for classes and clinics about civil legal proceedings and forms; the development, updating, and provision of information and training materials for judges, clerks of court, other court officers, judicial branch employees, and volunteers about self-help legal resources and how to assist self-represented litigants in a manner that is impartial, facilitates effective and efficient court operations, and does not constitute providing direct legal representation; the establishment and maintenance of multimedia materials that provide information about Montana's civil laws, courts, rules, legal forms, and available legal resources; coordination, recruitment, and training of volunteer attorneys to provide legal advice and direct legal representation to persons with civil legal needs who are unable to pay for those services; and coordination and cooperation with other access to justice efforts."

5. Page A-10, line 8.

Strike: "4,217,315 4,107,964" [general fund FY08 and FY09]

Insert: "4,652,529 4,396,278" [general fund FY08 and FY09]

6. Page A-10, line 25.

Strike: "10,678,472 10,705,643" [general fund FY08 and FY09]

Insert: "11,749,483 11,825,747" [general fund FY08 and FY09]

7. Page A-11.

Following: line 5

Insert: "c. Tax Administration (OTO) 2,000,000 2,000,000" [general fund FY08 and FY09]

8. Page A-11, line 21.

Strike: "7,114,975 7,110,637" [general fund FY08 and FY09]

Insert: "9,608,750 9,702,219" [general fund FY08 and FY09]

9. Page A-12, line 14.

Strike: "17,061,932 17,175,259" [general fund FY08 and FY09]

Insert: "18,061,932 18,175,259" [general fund FY08 and FY09]

10. Page B-4, line 12.

Strike: "0 0" [general fund FY08 and FY09]

Insert: "j. Family Planning Services (Restricted/OTO)
536,523 536,523" [general fund FY08 and FY09]

Renumber: subsequent subsections

11. Page B-4, line 20.

Strike: "750,000 750,000" [general fund]

Insert: "250,000 250,000" [general fund]

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12. Page C-1, line 11

Strike: "0 0" [general fund FY08 and FY09]

Insert: "a. State Wildlife Grants (OTO) 250,000 250,000"
[general fund FY08 and FY09]

Renumber: subsequent subsections

13. Page C-2, line 3

Strike: "0 0" [general fund FY08 and FY09]

Insert: "c. State Wildlife Grants (OTO) 250,000 250,000"
[general fund FY08 and FY09]

14. Page C-9, line 13.

Strike: "13,743,175 13,785,951" [general fund FY08 and FY09]

Insert: "8,843,175 8,885,951" [general fund FY08 and FY09]

15. Page C-9, line 13.

Strike: "13,743,175 13,785,951" [general fund FY08 and FY09]

Insert: "13,643,175 13,685,951" [general fund FY08 and FY09]

16. Page D-2, line 19.

Strike: "1,000,000" [general fund FY09]

Insert: "0" [general fund FY09]

17. Page D-5, line 12.

Strike: "35,978,415 36,746,259" [general fund FY08 and FY09]

Insert: "36,221,963 36,990,421" [general fund FY08 and FY09]

18. Page D-5, line 23.

Following: "~~(Biennial)~~"

Insert: "(Biennial)"

19. Page D-6, line 6.

Following: "Increase ("

Strike: "RESTRICTED/"

20. Page D-7.

Strike: line 16 through line 18 in their entirety

21. Page E-3, line 4.

Strike: "[LC 5]"

Insert: "House Bill No. 10"

22. Page E-4, line 7.

Strike: "579,099" [general fund FY08]

Insert: "979,099" [general fund FY08]

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23. Page E-5.

Following: line 12

Insert: "b. Property Tax Reimbursement -- House Bill No. 10
71,774 195,496" [general fund FY08 & FY09]

Renumber: subsequent subsections

24. Page E-5, line 26.

Strike: "250,000 250,000" [general fund FY08 and FY09]

Insert: "50,000 50,000" [general fund FY08 and FY09]

25. Page E-9.

Following: line 7

Insert: "Property Tax Reimbursement is contingent upon passage and approval of House Bill No. 10."

26. Page E-10, line 6 through line 7.

Strike: line 6 through line 7 in their entirety

27. Page E-12, line 9.

Strike: "1,084,821 1,091,328" [general fund FY08 and FY09]

Insert: "1,184,821 1,191,328" [general fund FY08 and FY09]

And, as amended, be concurred in. Report adopted.

HB 3, be amended as follows:

1. Title, line 11.

Following: "FACILITIES;"

Insert: "CREATING A NEW CLASS OF PROPERTY FOR CERTAIN DIRECT-CURRENT CONVERTER
STATION PROPERTY;"

2. Page 3, line 27.

Following: "~~NONFOODSTUFF~~"

Insert: "nonfoodstuff"

3. Page 5, line 11.

Strike: "that sequester"

Insert: "for which"

Following: "process"

Insert: "is sequestered"

4. Page 5, lines 20 and 21.

Strike: "15-6-157" on line 20 through "GRIDS" on line 21

Insert: "[section 8]"

5. Page 6, line 2.

Strike: "To"

Insert: "For the facility to"

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Strike: "the facility" through "percentage of"

6. Page 6, line 3.

Following: "process"

Insert: "must be sequestered at a rate"

7. Page 6, line 12.

Strike: "10"

Insert: "15"

8. Page 6, line 15.

Strike: "14"

Insert: "19"

9. Page 8, line 29.

Insert: "NEW SECTION. Section 8. Class sixteen property -- description -- taxable percentage. (1) Class sixteen property includes high-voltage direct-current converter stations that are constructed in a location and manner so that the converter station can direct power to two different regional power grids.

(2) Class sixteen property does not include property described in subsection (1) for which the standard prevailing rate of wages for heavy construction, as provided in 18-2-401(13)(a), was not paid during the construction phase.

(3) (a) The department shall determine whether to certify that the property meets the criteria of subsection (1).

(b) If the department finds that a certification previously granted was based on an application that the applicant knew was false or fraudulent, the property must be placed in class nine under 15-6-141. If the application was fraudulent, the applicant may be liable for additional taxes, penalty, and interest from the time that the certification was in effect.

(4) Class sixteen property is taxed at 2.25% of its market value."

Renumber: subsequent sections

10. Page 10, line 13.

Strike: "[section 7]"

Insert: "[sections 7 and 8]"

11. Page 11, line 23.

Following: "interconnections"

Insert: ", other than property classified under [section 8],"

12. Page 12, line 4 through line 6.

Strike: ";" on line 4 through "2007" on line 6

13. Page 13, line 13.

Strike: "[Section 7] is"

Insert: "[Sections 7 and 8] are"

14. Page 13, line 14.

Strike: "[section 7]"

Insert: "[sections 7 and 8]"

15. Page 13, line 15.

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Strike: "8"
Insert: "9"

16. Page 13, line 16.
Strike: "8"
Insert: "9"

And, as amended, be concurred in. Report adopted.

MOTIONS

Senator Williams moved to place **SB 4** on third reading this Legislative day. Motion carried.

Senator Williams moved to place **HB 4 and HB 6** on third reading this Legislative day. Motion carried.

Senator Stapleton moved to enter into the journals the Minority Report prepared by the Republican Senators of the 60th Legislature (copy located in the hard copy files), in accordance with Senate Rule S30-130, in objection to the Committee on Committees Report presented to the Montana State Senate on day one of the 60th Legislative Session. Motion carried.

MESSAGES FROM THE OTHER HOUSE

Senate amendments to House bill concurred in:	5/14/2007
HB 4 , introduced by Callahan	
House bill passed and transmitted to the Senate for concurrence:	5/14/2007
HB 9 , introduced by Sonju	
House bill passed and transmitted to the Senate for concurrence:	5/14/2007
HB 10 , introduced by Lake	
House bill passed and transmitted to the Senate for concurrence:	5/12/2007
HB 3 , introduced by L. Jones	
House bill passed and transmitted to the Senate for concurrence:	5/14/2007
HB 2 , introduced by Clark	

FIRST READING AND COMMITMENT OF BILLS

The following House bill was introduced, read first time, and referred to committee:

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HB 3, introduced by L. Jones, referred to Taxation.

HB 2, introduced by Clark, referred to Finance and Claims.

HB 9, introduced by Sonju, referred to Taxation.

HB 10, introduced by Lake, referred to Taxation.

**SECOND READING OF BILLS
(COMMITTEE OF THE WHOLE)**

Senator Williams moved the Senate resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Senator Ryan in the chair.

Mr. President: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:

SB 4 - Senator Lind moved **SB 4** do pass. Motion carried as follows:

Yeas: Bales, Barkus, Black, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gallus, Gebhardt, Hansen, Harrington, Hawks, Jackson, Kaufmann, Kitzenberg, Larson, Laslovich, Lind, McGee, Moss, Murphy, Pease, Peterson, Ryan, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, Weinberg, Mr. President.

Total 37

Nays: Balyeat, Brown, Gillan, Jent, Juneau, Lewis, O'Neil, Schmidt, M.Tropila, Wanzenried, Williams.

Total 11

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

Senate reconvened at 3:05 p.m.

Senator Williams moved the Senate resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Senator Ryan in the chair.

Mr. President: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:

HB 4 - Senator Brueggeman moved **HB 4** be concurred in. Motion carried as follows:

Yeas: Bales, Black, Brown, Brueggeman, Cobb, Cocchiarella, Elliott, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Kaufmann, Kitzenberg, Larson, Laslovich, Lewis, Lind, Moss, Murphy, Pease, Peterson, Ryan, Schmidt, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 40

Nays: Balyeat, Barkus, Curtiss, Esp, Juneau, McGee, O'Neil, Tash.

Total 8

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Absent or not voting: None.
Total 0

Excused: Laible, Perry.
Total 2

HB 6 - Senator Cocchiarella moved **HB 6** be concurred in. Motion carried as follows:

Yeas: Balyeat, Cobb, Cocchiarella, Essmann, Gallus, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Larson, Laslovich, Lind, Moss, Pease, Ryan, Schmidt, Smith, Squires, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.
Total 26

Nays: Bales, Barkus, Black, Brown, Brueggeman, Curtiss, Esp, Jackson, Lewis, McGee, Murphy, O'Neil, Peterson, Shockley, Stapleton, Steinbeisser, Tash.
Total 17

Absent or not voting: Elliott, Gebhardt, Gillan, Kitzenberg, Story.
Total 5

Excused: Laible, Perry.
Total 2

Senator Williams moved the committee rise, report progress, and beg leave to sit again. Motion carried. Committee arose. Senate resumed. President Cooney in the chair. Chairman Ryan moved the Committee of the Whole report be adopted. Report adopted unanimously.

Senate recessed.

Senate reconvened at 9:43 p.m.

Senator Williams moved the Senate resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Senator Ryan in the chair.

Mr. President: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:

HB 3 - Senator Laslovich moved consideration of **HB 3** be placed at the bottom of the second reading board for the purpose of amendment. Motion carried.

HB 2 - Senator McGee moved **HB 2**, second reading copy, be amended as follows:

1. Page 2 of the committee report.
Strike: Item 10 of the committee report

Amendment **not** adopted as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Curtiss, Esp, Essmann, Gebhardt, Jackson, Lewis, McGee, Murphy, O'Neil, Pease, Peterson, Shockley, Stapleton, Steinbeisser, Story, Tash, J.Tropila.
Total 22

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Nays: Brueggeman, Cobb, Cocchiarella, Elliott, Gallus, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lind, Moss, Ryan, Schmidt, Smith, Squires, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 26

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

HB 2 - Senator Curtiss moved **HB 2**, second reading copy, be amended as follows:

1. Page 2 of the committee report

Strike: Item 11 of the committee report

Amendment adopted as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gallus, Gebhardt, Harrington, Jackson, Jent, Juneau, Kaufmann, Laslovich, Lewis, McGee, O'Neil, Pease, Peterson, Shockley, Smith, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Williams.

Total 33

Nays: Cobb, Gillan, Hansen, Hawks, Kitzenberg, Larson, Lind, Moss, Murphy, Ryan, Schmidt, Squires, Wanzenried, Weinberg, Mr. President.

Total 15

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

HB 2 - Senator O'Neil moved **HB 2**, second reading copy, be amended as follows:

1. Page E-2.

Strike: line 19 through line 20 in their entirety

Renumber: subsequent subsections

2. Page E-3.

Strike: line 11 in its entirety

Amendment **not** adopted as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Curtiss, Esp, Essmann, Gebhardt, Jackson, McGee, Murphy, O'Neil, Peterson, Shockley, Stapleton, Steinbeisser, Story, Tash.

Total 19

Nays: Brueggeman, Cobb, Cocchiarella, Elliott, Gallus, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lewis, Lind, Moss, Pease, Ryan, Schmidt, Smith, Squires, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

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Total 29

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

HB 2 - Senator O'Neil moved **HB 2**, second reading copy, be amended as follows:

1. Page C-5.

Strike: line 22 through line 23 in their entirety

Renumber: subsequent subsections

Amendment **not** adopted as follows:

Yeas: Bales, Balyeat, Brown, Brueggeman, Esp, Essmann, Jackson, Juneau, Kaufmann, Lind, McGee, O'Neil, Stapleton, Story, Tash, Wanzenried, Mr. President.

Total 17

Nays: Barkus, Black, Cobb, Cocchiarella, Curtiss, Elliott, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jent, Kitzenberg, Larson, Laslovich, Lewis, Moss, Murphy, Pease, Peterson, Ryan, Schmidt, Shockley, Smith, Squires, Steinbeisser, J.Tropila, M.Tropila, Weinberg, Williams.

Total 31

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

HB 2 - Senator Schmidt moved **HB 2**, as amended, be concurred in. Motion carried as follows:

Yeas: Cobb, Cocchiarella, Curtiss, Gallus, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lewis, Lind, Moss, Murphy, Pease, Ryan, Schmidt, Smith, Squires, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 29

Nays: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Elliott, Esp, Essmann, Gebhardt, Jackson, McGee, O'Neil, Peterson, Shockley, Stapleton, Steinbeisser, Story, Tash.

Total 19

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

HB 3 - Senator Stapleton moved **HB 3**, second reading copy, be amended as follows:

1. Page 12, line 20.

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Following: "that"

Insert: ":

(i) is not constructed to connect with a transmission line at an international border either directly or as an extension of an existing transmission line owned by the same person or by a business entity affiliated with that person; and
(ii)"

Amendment **not** adopted as follows:

Yeas: Balyeat, Barkus, Brown, Cobb, Curtiss, Elliott, Esp, Gebhardt, Hawks, Jackson, Lind, McGee, O'Neil, Shockley, Stapleton, Story, Tash, J.Tropila, Weinberg.

Total 19

Nays: Black, Brueggeman, Cocchiarella, Essmann, Gallus, Gillan, Hansen, Harrington, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lewis, Moss, Murphy, Pease, Peterson, Ryan, Schmidt, Smith, Squires, Steinbeisser, M.Tropila, Wanzenried, Williams, Mr. President.

Total 28

Absent or not voting: Bales.

Total 1

Excused: Laible, Perry.

Total 2

HB 3 - Senator Bales moved **HB 3**, second reading copy, be amended as follows:

1. Title, line 15.

Following: "LINES;"

Insert: "ESTABLISHING A 20-YEAR PARTIAL TAX ABATEMENT FOR COAL PRODUCED FOR CERTAIN NEW TECHNOLOGY FACILITIES;"

Strike: the second "AND"

Insert: ", "

Following: "15-6-157,"

Insert: "AND 15-35-103,"

2. Page 13, line 25.

Insert: "Section 12. Section 15-35-103, MCA, is amended to read:

"15-35-103. Severance tax -- rates imposed. (1) A severance tax is imposed on each ton of coal produced in the state, ~~in accordance with~~ Subject to subsection (4), the rate of the tax is determined according to the following schedule:

Heating quality	Surface	Underground
(Btu per pound of coal):	Mining	Mining
Under 7,000	10% of value	3% of value
7,000 and over	15% of value	4% of value

(2) "Value" means the contract sales price.

(3) A person is not liable for any severance tax upon 50,000 tons of the coal that the person produces in a calendar year, except that if more than 50,000 tons of coal are produced in a calendar year, the producer is liable for severance tax upon all coal produced in excess of the first 20,000 tons.

(4) (a) The following production is subject to taxation at a rate that is one-half of the applicable rate established in subsection (1):

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(i) the first 20 years of production from a new mine for that portion of the coal produced that is used in the type of facilities described in 15-6-157(1)(h) or (1)(k);

(ii) the first 20 years of increased production of coal produced by an existing mine for that portion of the coal that is used in the type of facilities described in 15-6-157(1)(h) or (1)(k).

(b) In order to qualify for the reduced rate under subsection (4)(a), the taxpayer shall apply for the exemption. In order to qualify under subsection (4)(a)(i), the taxpayer must have made an application for a coal mine under Title 82, chapter 4, part 1, by June 30, 2017.

(c) For the purposes of subsection (4)(a)(ii), increased production is production that is in excess of the average production of the mine in the previous 3 years."

Renumber: subsequent sections

Amendment **not** adopted as follows:

Yeas: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Cobb, Curtiss, Esp, Essmann, Gebhardt, Jackson, Kitzenberg, Lewis, McGee, Murphy, O'Neil, Peterson, Stapleton, Steinbeisser, Story, Tash.

Total 22

Nays: Cocchiarella, Elliott, Gallus, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Larson, Laslovich, Lind, Moss, Pease, Ryan, Schmidt, Shockley, Smith, Squires, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 26

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

HB 3 - Senator Balyeat moved **HB 3**, second reading copy, be amended as follows:

1. Title, line 9.

Following: "PROPERTY;"

Insert: "PROVIDING THAT ALL ELECTRICAL TRANSMISSION LINES ARE CLASSIFIED AS CLASS FOURTEEN PROPERTY AND TAXED AT 3 PERCENT; PROVIDING A REIMBURSEMENT TO LOCAL GOVERNMENTS AND TAX INCREMENT FINANCING DISTRICTS UNDER THE ENTITLEMENT SHARE PAYMENT FOR THE LOSS OF TAX REVENUE FROM THE RECLASSIFICATION OF ELECTRICAL TRANSMISSION LINES;"

2. Title, line 15.

Following: "SECTIONS"

Insert: "15-1-121, 15-6-137,"

Following: "15-6-141"

Insert: ", "

3. Title, line 16.

Following: "DATE"

Insert: "AND AN APPLICABILITY DATE"

4. Page 10, line 12.

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Insert: "NEW SECTION. Section 10. Reimbursement for class eight exemption -- distribution. (1) For the reclassification of electrical transmission lines into class fourteen, the department shall, by June 1, 2008, for calendar year 2008 estimate for each local government, as defined in 15-1-121(4), and each tax increment financing district the difference between property tax collections attributable to electrical transmission lines under 15-6-157 and the property tax revenue that would have been collected had the classification of electrical transmission lines not been changed. The difference is the reimbursable amount for each local government and tax increment financing district.

(2) The department shall distribute the reimbursement to local governments with the entitlement distributions for fiscal year 2009 under 15-1-121(6). Local government reimbursements for subsequent years are made pursuant to the entitlement share recomputation as provided in 15-1-121(6)."

Insert: "Section 11. Section 15-1-121, MCA, is amended to read:

"15-1-121. Entitlement share payment -- appropriation. (1) As described in 15-1-120(3), each local government is entitled to an annual amount that is the replacement for revenue received by local governments for diminishment of property tax base and various earmarked fees and other revenue that, pursuant to Chapter 574, Laws of 2001, amended by section 4, Chapter 13, Special Laws of August 2002, and later enactments, was consolidated to provide aggregation of certain reimbursements, fees, tax collections, and other revenue in the state treasury with each local government's share. The reimbursement under this section is provided by direct payment from the state treasury rather than the ad hoc system that offset certain state payments with local government collections due the state and reimbursements made by percentage splits, with a local government remitting a portion of collections to the state, retaining a portion, and in some cases sending a portion to other local governments. The amount calculated pursuant to this subsection, as adjusted pursuant to subsection (3)(a)(i), is each local government's base entitlement share. The department shall estimate the total amount of revenue that each local government received from the following sources for the fiscal year ending June 30, 2001:

- ~~_____ (a) personal property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter 584, Laws of 1999;~~
- ~~_____ (b) vehicle, boat, and aircraft taxes and fees pursuant to:~~
 - ~~_____ (i) Title 23, chapter 2, part 5;~~
 - ~~_____ (ii) Title 23, chapter 2, part 6;~~
 - ~~_____ (iii) Title 23, chapter 2, part 8;~~
 - ~~_____ (iv) 61-3-317;~~
 - ~~_____ (v) 61-3-321;~~
 - ~~_____ (vi) Title 61, chapter 3, part 5, except for 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001;~~
 - ~~_____ (vii) Title 61, chapter 3, part 7;~~
 - ~~_____ (viii) 5% of the fees collected under 61-10-122;~~
 - ~~_____ (ix) 61-10-130;~~
 - ~~_____ (x) 61-10-148; and~~
 - ~~_____ (xi) 67-3-205;~~
- ~~_____ (c) gaming revenue pursuant to Title 23, chapter 5, part 6, except for the permit fee in 23-5-612(2)(a);~~
- ~~_____ (d) district court fees pursuant to:~~
 - ~~_____ (i) 25-1-201, except those fees in 25-1-201(1)(d), (1)(g), and (1)(j);~~
 - ~~_____ (ii) 25-1-202;~~
 - ~~_____ (iii) 25-1-1103;~~
 - ~~_____ (iv) 25-9-506; and~~
 - ~~_____ (v) 27-9-103;~~
- ~~_____ (e) certificate of title fees for manufactured homes pursuant to 15-1-116;~~
- ~~_____ (f) financial institution taxes collected pursuant to the former provisions of Title 15, chapter 31, part 7;~~
- ~~_____ (g) all beer, liquor, and wine taxes pursuant to:~~
 - ~~_____ (i) 16-1-404;~~
 - ~~_____ (ii) 16-1-406; and~~
 - ~~_____ (iii) 16-1-411;~~

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~~_____ (h) late filing fees pursuant to 61-3-220;~~
~~_____ (i) title and registration fees pursuant to 61-3-203;~~
~~_____ (j) veterans' cemetery license plate fees pursuant to 61-3-459;~~
~~_____ (k) county personalized license plate fees pursuant to 61-3-406;~~
~~_____ (l) special mobile equipment fees pursuant to 61-3-431;~~
~~_____ (m) single movement permit fees pursuant to 61-4-310;~~
~~_____ (n) state aeronautics fees pursuant to 67-3-101; and~~
~~_____ (o) department of natural resources and conservation payments in lieu of taxes pursuant to Title 77, chapter 1, part 5.~~

~~_____ (2) (a) From the amounts estimated in subsection (1) for each county government, the department shall deduct fiscal year 2001 county government expenditures for district courts, less reimbursements for district court expenses, and fiscal year 2001 county government expenditures for public welfare programs to be assumed by the state in fiscal year 2002.~~

~~(b)(2) The total amount estimated pursuant to subsections (1) and (2)(a) received in fiscal year 2007 as an entitlement share payment under this section is the base component for the fiscal year 2008 distribution, and in each subsequent year the prior year entitlement share payment, including any reimbursement payments received pursuant to subsection (6), is each local government's base year component. The sum of all local governments' base year components is the base fiscal year entitlement share pool. For the purpose of calculating the sum of all local governments' base year components, the base year component for a local government may not be less than zero.~~

(3) (a) The base fiscal year entitlement share pool must be increased annually by a growth rate as provided for in this subsection (3). The amount determined through the application of annual growth rates is the entitlement share pool for each fiscal year. By October 1 of each even-numbered year, the department shall calculate the growth rate of the entitlement share pool for each year of the next biennium in the following manner:

(i) ~~Before applying the growth rate for fiscal year 2007 to determine the fiscal year 2007 entitlement share payments, the department shall subtract from the fiscal year 2006 entitlement share payments the following amounts:~~

Beaverhead	\$6,972
Big Horn	\$52,551
Blaine	\$13,625
Broadwater	\$2,564
Carbon	\$11,537
Carter	\$407
Cascade	\$157,151
Chouteau	\$3,536
Custer	\$7,011
Daniels	\$143
Dawson	\$3,893
Fallon	\$1,803
Fergus	\$9,324
Flathead	\$33,655
Gallatin	\$222,029
Garfield	\$91
Glacier	\$3,035
Golden Valley	\$2,282
Granite	\$4,554
Hill	\$31,740
Jefferson	\$5,700
Judith Basin	\$1,487
Lake	\$38,314

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Lewis and Clark	\$247,886
Liberty	\$152
Lincoln	\$3,759
Madison	\$8,805
McCone	\$1,651
Meagher	\$2,722
Mineral	\$2,361
Missoula	\$172,600
Musselshell	\$23,275
Park	\$6,582
Petroleum	\$36
Phillips	\$653
Pondera	\$10,270
Powder River	\$848
Powell	\$5,146
Prairie	\$717
Ravalli	\$93,090
Richland	\$3,833
Roosevelt	\$9,526
Rosebud	\$19,971
Sanders	\$30,712
Sheridan	\$271
Stillwater	\$12,117
Sweet Grass	\$2,463
Teton	\$5,560
Toole	\$7,113
Treasure	\$54
Valley	\$6,899
Wheatland	\$918
Wibaux	\$72
Yellowstone	\$266,644
Anaconda-Deer Lodge	\$20,707
Butte-Silver Bow	\$53,057
Alberton	\$675
Bainville	\$258
Baker	\$2,828
Bearcreek	\$143
Belgrade	\$11,704
Belt	\$1,056
Big Sandy	\$1,130
Big Timber	\$2,910
Billings	\$163,499
Boulder	\$2,340
Bozeman	\$52,805
Bridger	\$1,303
Broadus	\$766
Broadview	\$258
Brockton	\$414
Browning	\$1,830
Cascade	\$1,374
Chester	\$1,430

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Chinook	\$2,275
Choteau	\$3,050
Circle	\$1,018
Clyde Park	\$572
Colstrip	\$4,090
Columbia Falls	\$6,805
Columbus	\$3,245
Conrad	\$4,562
Culbertson	\$1,216
Cut Bank	\$5,316
Darby	\$1,348
Deer Lodge	\$5,708
Denton	\$503
Dillon	\$6,928
Dodson	\$194
Drummond	\$561
Dutton	\$661
East Helena	\$2,888
Ekalaka	\$689
Ennis	\$1,518
Eureka	\$1,733
Fairfield	\$1,120
Fairview	\$1,152
Flaxville	\$143
Forsyth	\$3,286
Fort Benton	\$2,579
Fort Peck	\$393
Froid	\$328
Fromberg	\$855
Geraldine	\$457
Glasgow	\$5,361
Glendive	\$8,099
Grass Range	\$254
Great Falls	\$96,422
Hamilton	\$7,148
Hardin	\$5,920
Harlem	\$1,422
Harlowton	\$1,678
Havre	\$16,223
Helena	\$45,877
Hingham	\$263
Hobson	\$397
Hot Springs	\$912
Hysham	\$482
Ismay	\$43
Joliet	\$1,006
Jordan	\$606
Judith Gap	\$263
Kalispell	\$28,144
Kevin	\$304
Laurel	\$10,804

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Lavina	\$361
Lewistown	\$10,170
Libby	\$4,475
Lima	\$397
Livingston	\$12,145
Lodge Grass	\$889
Malta	\$3,389
Manhattan	\$2,485
Medicine Lake	\$410
Melstone	\$234
Miles City	\$14,152
Missoula	\$104,264
Moore	\$319
Nashua	\$536
Neihart	\$149
Ophelm	\$180
Outlook	\$125
Philipsburg	\$1,612
Pinesdale	\$1,413
Plains	\$2,007
Plentywood	\$3,185
Plevna	\$225
Polson	\$7,722
Poplar	\$1,544
Red Lodge	\$3,903
Rexford	\$263
Richey	\$309
Ronan	\$3,262
Roundup	\$3,280
Ryegate	\$465
Saco	\$354
Scobey	\$1,798
Shelby	\$5,677
Sheridan	\$1,150
Sidney	\$7,747
Stanford	\$737
Stevensville	\$3,063
St. Ignatius	\$1,367
Sunburst	\$709
Superior	\$1,521
Terry	\$1,011
Thompson Falls	\$2,272
Three Forks	\$3,130
Townsend	\$3,286
Troy	\$1,654
Twin Bridges	\$695
Valier	\$817
Virginia City	\$223
Walkerville	\$1,183
West Yellowstone	\$2,083
Westby	\$263

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White Sulphur Springs	\$1,734
Whitefish	\$9,932
Whitehall	\$1,889
Wibaux	\$893
Winifred	\$259
Winnett	\$314
Wolf Point	\$4,497

(ii)(i) The department shall calculate the average annual growth rate of the Montana gross state product, as published by the bureau of economic analysis of the United States department of commerce, for the following periods:

(A) the last 4 calendar years for which the information has been published; and

(B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection ~~(3)(a)(ii)(A)~~ (3)(a)(i)(A).

(iii)(ii) The department shall calculate the average annual growth rate of Montana personal income, as published by the bureau of economic analysis of the United States department of commerce, for the following periods:

(A) the last 4 calendar years for which the information has been published; and

(B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection ~~(3)(a)(iii)(A)~~ (3)(a)(ii)(A).

(b) (i) The entitlement share pool growth rate for ~~the first each year of the biennium~~ must be the following percentage of the average of the growth rates calculated in subsections ~~(3)(a)(ii)(B)~~ (3)(a)(i)(B) and ~~(3)(a)(iii)(B)~~ (3)(a)(ii)(B):

~~(A)(i)~~ for counties, 54% ;

~~(B)(ii)~~ for consolidated local governments, 62% ; and

~~(C)(iii)~~ for incorporated cities and towns, 70% .

(ii) ~~The entitlement share pool growth rate for the second year of the biennium must be the following percentage of the average of the growth rates calculated in subsections (3)(a)(ii)(A) and (3)(a)(iii)(A):~~

~~(A) for counties, 54% ;~~

~~(B) for consolidated local governments, 62% ; and~~

~~(C) for incorporated cities and towns, 70% .~~

(4) As used in this section, "local government" means a county, a consolidated local government, an incorporated city, and an incorporated town. A local government does not include a tax increment financing district provided for in subsection ~~(6)~~ (7). ~~For purposes of calculating the base year component for a county or consolidated local government, the department shall include the revenue listed in subsection (1) for all special districts within the county or consolidated local government.~~ The county or consolidated local government is responsible for making an allocation from the county's or consolidated local government's share of the entitlement share pool to each special district within the county or consolidated local government in a manner that reasonably reflects each special district's loss of revenue sources ~~listed in subsection (1) for which~~ reimbursement is provided in this section.

(5) (a) The entitlement share pools calculated in this section and the ~~block grants~~ funding provided for in subsection ~~(6)~~ (7) are statutorily appropriated, as provided in 17-7-502, from the general fund to the department for distribution to local governments. ~~Each local government is entitled to a pro rata share of each year's entitlement share pool based on the local government's base component in relation to the base year entitlement share pool.~~ The distributions must be made on a quarterly basis.

(b) (i) The growth amount is the difference between the entitlement share pool in the current fiscal year and the entitlement share pool in the previous fiscal year. ~~For the purposes of subsection (5)(b)(ii)(A), a county with a negative base year component has a base year component of zero.~~ The growth factor in the entitlement share must be calculated separately for:

(A) counties;

(B) consolidated local governments; and

(C) incorporated cities and towns.

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(ii) In each fiscal year, the growth amount for counties must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each county's percentage of the base prior fiscal year entitlement share pool for all counties; and

(B) 50% of the growth amount must be allocated based upon the percentage that each county's population bears to the state population not residing within consolidated local governments as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(iii) In each fiscal year, the growth amount for consolidated local governments must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each consolidated local government's percentage of the base prior fiscal year entitlement share pool for all consolidated local governments; and

(B) 50% of the growth amount must be allocated based upon the percentage that each consolidated local government's population bears to the state's total population residing within consolidated local governments as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(iv) In each fiscal year, the growth amount for incorporated cities and towns must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each incorporated city's or town's percentage of the base prior fiscal year entitlement share pool for all incorporated cities and towns; and

(B) 50% of the growth amount must be allocated based upon the percentage that each city's or town's population bears to the state's total population residing within incorporated cities and towns as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(v) In each fiscal year, the amount of the entitlement share pool ~~not represented by~~ before the growth amount or adjustments are made under subsection (6) are applied is to be distributed to each local government in the same manner as the entitlement share pool was distributed in the prior fiscal year.

(6) If the legislature enacts a reimbursement provision that is to be distributed pursuant to this section, the department shall determine the reimbursement amount as provided in the enactment and add the appropriate amount to the entitlement share distribution under this section. The total entitlement share distributions in a fiscal year, including distributions made pursuant to this subsection, equal the local fiscal year entitlement share pool. The ratio of each local government's distribution from the entitlement share pool must be recomputed to determine each local government's ratio to be used in the subsequent year's distribution determination under subsections (5)(b)(ii)(A), (5)(b)(iii)(A), and (5)(b)(iv)(A).

~~(6)(7)~~ (a) If a tax increment financing district was not in existence during the fiscal year ending June 30, 2000, then the tax increment financing district is not entitled to any ~~block grant funding~~. If a tax increment financing district referred to in subsection ~~(6)(b)~~ (7)(b) terminates, then the ~~block grant funding for the district~~ provided for in subsection ~~(6)(b)~~ (7)(b) terminates.

(b) One-half of the payments provided for in this subsection ~~(6)(b)~~ (7)(b) must be made by November 30 and the other half by May 31 of each year. Subject to subsection ~~(6)(a)~~ (7)(a), the entitlement share for tax increment financing districts is as follows:

Cascade	Great Falls - downtown	\$468,966
Deer Lodge	TIF District 1	3,148
Deer Lodge	TIF District 2	3,126
Flathead	Kalispell - District 1	758,359
Flathead	Kalispell - District 2	5,153
Flathead	Kalispell - District 3	41,368
Flathead	Whitefish District	164,660
Gallatin	Bozeman - downtown	34,620
Lewis and Clark	Helena - #2	731,614
Missoula	Missoula - 1-1B & 1-1C	1,100,507 250,279
Missoula	Missoula - 4-1C	33,343

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Silver Bow	Butte - uptown	283,801
Yellowstone	Billings	436,815

~~(7)(8)~~ The estimated ~~base~~ fiscal year entitlement share pool and any subsequent entitlement share pool for local governments do not include revenue received from tax increment financing districts, from countywide transportation block grants, or from countywide retirement block grants.

~~(8) (a) If revenue that is included in the sources listed in subsections (1)(b) through (1)(o) is significantly reduced, except through legislative action, the department shall deduct the amount of revenue loss from the entitlement share pool beginning in the succeeding fiscal year and the department shall work with local governments to propose legislation to adjust the entitlement share pool to reflect an allocation of the loss of revenue.~~

~~(b) For the purposes of subsection (8)(a), a significant reduction is a loss that causes the amount of revenue received in the current year to be less than 95% of the amount of revenue received in the base year.~~

(9) A three-fifths vote of each house is required to reduce the amount of the entitlement share calculated pursuant to subsections (1) through (3).

(10) When there has been an underpayment of a local government's share of the entitlement share pool, the department shall distribute the difference between the underpayment and the correct amount of the entitlement share. When there has been an overpayment of a local government's entitlement share, the local government shall remit the overpaid amount to the department.

(11) A local government may appeal the department's estimation of the base ~~year~~ component, the entitlement share pool growth rate, or a local government's allocation of the entitlement share pool, according to the uniform dispute review procedure in 15-1-211.

(12) A payment required pursuant to this section may not be offset by a debt owed to a state agency by a local government in accordance with Title 17, chapter 4, part 1."

Insert: "Section 12. Section 15-6-137, MCA, is amended to read:

"15-6-137. Class seven property -- description -- taxable percentage. (1) Except as provided in subsection (2), class seven property includes:

(a) all property owned by cooperative rural electrical associations that serve less than 95% of the electricity consumers within the incorporated limits of a city or town, except rural electric cooperative properties described in 15-6-141(1)(a);

(b) electric transformers and meters; electric light and power substation machinery; natural gas measuring and regulating station equipment, meters, and compressor station machinery owned by noncentrally assessed public utilities; and tools used in the repair and maintenance of this property.

(2) Class seven property does not include ~~wind generation facilities~~ all properties classified under 15-6-157.

(3) Class seven property is taxed at 8% of its market value."

Renumber: subsequent sections

5. Page 12, line 18 through page 13, line 6.

Strike: ", that" on page 12, line 18 through "classification" on page 13, line 6

Renumber: subsequent subsections

6. Page 13, line 16.

Strike: "either"

Strike: ", (1)(p), or (1)(q), as applicable,"

7. Page 13, line 18.

Strike: "either"

Strike: ", (1)(p), or (1)(q)"

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8. Page 14, line 12.

Insert: "NEW SECTION. **Section 19. Applicability.** [This act] applies to tax years beginning after December 31, 2007."

Amendment **not** adopted as follows:

Yeas: Bales, Balyeat, Barkus, Brown, Curtiss, Elliott, Esp, Essmann, Gallus, Gebhardt, Jackson, Lewis, McGee, Murphy, O'Neil, Shockley, Stapleton, Steinbeisser, J.Tropila, Wanzenried.

Total 20

Nays: Black, Brueggeman, Cobb, Cocchiarella, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lind, Moss, Pease, Peterson, Ryan, Schmidt, Smith, Squires, Story, Tash, M.Tropila, Weinberg, Williams, Mr. President.

Total 28

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

HB 3 - Senator Laslovich moved **HB 3** be concurred in. Motion carried as follows:

Yeas: Bales, Black, Brueggeman, Cobb, Cocchiarella, Curtiss, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jent, Kitzenberg, Larson, Laslovich, Lewis, Moss, Murphy, Pease, Peterson, Ryan, Schmidt, Smith, Squires, Steinbeisser, Story, Tash, Weinberg, Williams, Mr. President.

Total 32

Nays: Balyeat, Barkus, Brown, Elliott, Esp, Jackson, Juneau, Kaufmann, Lind, McGee, O'Neil, Shockley, Stapleton, J.Tropila, M.Tropila, Wanzenried.

Total 16

Absent or not voting: None.

Total 0

Excused: Laible, Perry.

Total 2

Senator Williams moved the committee rise and report. Motion carried. Committee arose. Senate resumed. President Cooney in the chair. Chairman Ryan moved the Committee of the Whole report be adopted. Report adopted unanimously.

THIRD READING OF BILLS

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

SB 4 passed as follows:

Yeas: Bales, Barkus, Black, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gallus, Gebhardt,

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Hansen, Harrington, Hawks, Jackson, Kaufmann, Kitzenberg, Laible, Larson, Laslovich, Lind, McGee, Moss, Murphy, Pease, Perry, Peterson, Ryan, Schmidt, Shockley, Smith, Squires, Stapleton, Steinbeisser, Story, Tash, J.Tropila, Weinberg, Mr. President.
Total 40

Nays: Balyeat, Brown, Gillan, Jent, Juneau, Lewis, O'Neil, M.Tropila, Wanzenried, Williams.
Total 10

Paired: Laible, Perry, Ayes; Balyeat, Jent, Noes.

Absent or not voting: None.
Total 0

Excused: None.
Total 0

At 1:50 p.m. the Senate went into recess.

Senate reconvened at 3:05 p.m.

Roll Call. Senators Elliott, Gebhardt, Cobb, Harrington, Kaufmann, Black, Peterson, Perry, Laible, Story, Gillan, Kitzenberg excused. Quorum present.

Yeas: Brueggeman, Cocchiarella, Curtiss, Essmann, Gallus, Hansen, Hawks, Jent, Juneau, Larson, Laslovich, Lewis, Moss, Murphy, Pease, Ryan, Schmidt, Smith, Squires, Stapleton, Steinbeisser, Tash, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.
Total 28

Nays: Bales, Balyeat, Barkus, Brown, Esp, Jackson, Lind, McGee, O'Neil, Shockley.
Total 10

Absent or not voting: None.
Total 0

Excused: Black, Cobb, Elliott, Gebhardt, Gillan, Harrington, Kaufmann, Kitzenberg, Laible, Perry, Peterson, Story.
Total 12

HB 4 concurred in as follows:

Yeas: Bales, Black, Brown, Brueggeman, Cobb, Cocchiarella, Elliott, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Kaufmann, Kitzenberg, Larson, Laslovich, Lewis, Lind, Moss, Murphy, Pease, Peterson, Ryan, Schmidt, Smith, Squires, Stapleton, Steinbeisser, Story, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.
Total 39

Nays: Balyeat, Barkus, Curtiss, Esp, Juneau, McGee, O'Neil, Shockley, Tash.
Total 9

Absent or not voting: None.
Total 0

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Excused: Laible, Perry.
Total 2

HB 6 concurred in as follows:

Yeas: Cobb, Cocchiarella, Elliott, Essmann, Gallus, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lind, Moss, Pease, Ryan, Schmidt, Smith, Squires, Story, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.
Total 29

Nays: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Curtiss, Esp, Gebhardt, Jackson, Lewis, McGee, Murphy, O'Neil, Peterson, Shockley, Stapleton, Steinbeisser, Tash.
Total 19

Absent or not voting: None.
Total 0

Excused: Laible, Perry.
Total 2

Senate recessed.

Senate reconvened at 9:40 p.m. for second and third reading of **HB 3** and **HB 4**.

Roll Call. Senators Laible, Perry excused. Quorum present.

Yeas: Barkus, Black, Brueggeman, Cobb, Cocchiarella, Curtiss, Elliott, Esp, Essmann, Gallus, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lewis, Moss, Murphy, Pease, Peterson, Ryan, Schmidt, Smith, Stapleton, Steinbeisser, Story, Tash, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.
Total 37

Nays: Bales, Balyeat, Brown, Gebhardt, Gillan, Jackson, Lind, McGee, O'Neil, Shockley, Squires.
Total 11

Absent or not voting: None.
Total 0

Excused: Laible, Perry.
Total 2

THIRD READING OF BILLS

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

HB 3 concurred in as follows:

Black, Brueggeman, Cobb, Cocchiarella, Curtiss, Essmann, Gallus, Gebhardt, Gillan, Hansen, Harrington, Hawks, Jackson, Jent, Kitzenberg, Larson, Laslovich, Lewis, Moss, Murphy, Pease, Peterson, Ryan, Schmidt, Smith, Squires, Steinbeisser, Story, Tash, Weinberg, Williams, Mr. President.
Total 33

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Nays: Balyeat, Barkus, Brown, Elliott, Esp, Juneau, Kaufmann, Laible, Lind, McGee, O'Neil, Perry, Shockley, Stapleton, J.Tropila, M.Tropila, Wanzenried.

Total 17

Paired: Larson, Moss, Ayes; Laible, Perry, Noes.

Absent or not voting: None.

Total 0

Excused: None.

Total 0

HB 2 concurred in as follows:

Yeas: Cobb, Cocchiarella, Curtiss, Gallus, Gillan, Hansen, Harrington, Hawks, Jent, Juneau, Kaufmann, Kitzenberg, Larson, Laslovich, Lewis, Lind, Moss, Murphy, Pease, Ryan, Schmidt, Smith, Squires, J.Tropila, M.Tropila, Wanzenried, Weinberg, Williams, Mr. President.

Total 29

Nays: Bales, Balyeat, Barkus, Black, Brown, Brueggeman, Elliott, Esp, Essmann, Gebhardt, Jackson, Laible, McGee, O'Neil, Perry, Peterson, Shockley, Stapleton, Steinbeisser, Story, Tash.

Total 21

Paired: Larson, Moss, Ayes; Laible, Perry, Noes.

Absent or not voting: None.

Total 0

Excused: None.

Total 0

LEGISLATIVE ADMINISTRATION (Smith, Chairman):

5/15/2007

MR. PRESIDENT:

We, your committee on Legislative Administration recommend that the following attaches of the Senate be employed as of 9:00 a.m., Monday, May 14, 2007, and recommend that the following attaches be terminated upon SINE DIE the last day of the Special Session:

TITLE

NAME

Pages:

Hannah Harper, Helena
Sean Ryan, Great Falls

Report Adopted.

ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

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Majority Leader Williams moved that the Senate adjourn until 9:00 a.m., Tuesday, May 15, 2007. Motion carried.

Senate adjourned at 12:10 a.m.

JOHN MUDD
Secretary of Senate

MIKE COONEY
President of the Senate